

FISCAL NOTE

SB 2769

January 21, 2008

SUMMARY OF BILL: Requires the Basic Education Program (BEP) to fund one reading coach for every school in Tennessee.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$57,079,300

Increase Local Gov't. Expenditures* - \$24,462,600

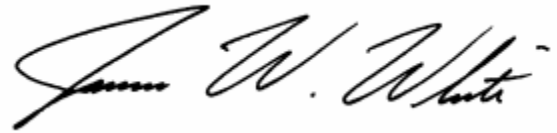
Assumptions:

- According to the Department of Education (DOE) there are 1,709 schools in Tennessee.
- The BEP split for teacher funding is 70% state and 30% LEA funds.
- According to the DOE, the BEP funds \$38,000 per teacher for salary. Total salary cost is \$64,942,000 ($1,709 \times \$38,000 = \$64,942,000$). Benefits (not including insurance premiums) are 13.89% of total salary costs for a total cost of \$9,020,444. Insurance premiums (at \$4,435 per year per teacher) would be \$7,579,415 ($\$4,435 \times 1,709 = \$7,579,415$). The total cost is \$81,541,859 ($\$64,942,000 + \$9,020,444 + \$7,579,415 = \$81,541,859$).
- The state share would be \$57,079,301 (70% of \$81,541,859).
- The local share would be \$24,462,558 (30% of \$81,541,859).

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

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